



STATE BOARD OF EQUALIZATION

March 30, 1951

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California

Account SR -- XX XXXXXX

Gentlemen:

This is in answer to your letter of March 26 in which you supplement the information previously furnished to us with respect to a Waring Blender procured through the M. L. C--- Co., San Francisco, California.

Your understanding that the State sales tax does not apply to the full charge for repair services even though the retailer subcontracts the repairs is correct. Thus, Ruling 26, copy enclosed, applies to charges for repairs whether the retailer performs the repair services himself or subcontracts the repairs to another repairman. Accordingly, if the M. L. C--- Co. segregates its charges, as required by the first paragraph of said Ruling 26, the tax will apply only to the charge for materials and parts furnished in connection with the repair. The M. L. C--- Co., in turn, can give the repairman who actually performs the repair service a resale certificate to cover the sale of the repair parts by the repairman to it.

Although it is our opinion that the M. L. C--- Co. may segregate its charges and be subject to the tax only with respect to the charge for parts and materials furnished in connection with the repairs, where the charges for such parts and materials are not segregated from charges for labor of repair and other services, it will be presumed that the entire charge represents the sale price of the property, and the tax will, in this case, apply to the full charge for the repair.

Very truly yours,

R. G. Hamlin
Tax Counsel

RGH:HB

cc: J--- J. H---